

FISCAL NOTE

SB 3147 - HB 3200

March 10, 2006

SUMMARY OF BILL: Allocates 15.15% of Real Estate Transfer Tax collections and 13% of Mortgage Tax collections to the Housing Program Fund which is administered by the Tennessee Housing Development Agency (THDA).

ESTIMATED FISCAL IMPACT:

Decrease State Revenues – Exceeds \$26,300,000 / General Fund
Increase State Revenues – Exceeds \$26,300,000 / Earmarked for THDA

Assumptions:

- FY05 Realty Transfer Tax collections estimated at \$121.4 million.
- FY05 Mortgage Tax collections estimated at \$61.4 million.
- 15.15% of \$121.4 million equals \$18.39 million.
- 13% of \$61.4 million equals \$7.98 million.
- Decrease of state revenues earmarked for the General Fund estimated to be \$26.37 million (\$18.39 million + \$7.98 million = \$26.37 million).
- Increase of state revenues earmarked for the Housing Program Fund (THDA) estimated at \$26.37 million.
- THDA absorbs all administrative costs associated with this bill through grant programs and interest earned on funds.
- THDA retains interest earned on funds.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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